$~11

* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ ITA 1001/2019

THE PR. COMMISSIONER OF INCOME TAX -6 ..... Appellant

Through: Mr.Aseem Chawla, Sr.SC with Ms.Pratishtha Chaudhary, Mr.Aditya Gupta and Ms.Nivedita, Advs.

versus

NILE TECH LTD. ..... Respondent

Through: Mr.Rohit Jain and Mr.Aniket D.Agrawal, Advs.

CORAM:
HON'BLE MR. JUSTICE YASHWANT VARMA
HON'BLE MR. JUSTICE PURUSHAINDRA KUMAR KAURAV

ORDER

% **07.02.2024**

1. Having heard Mr. Chawla, learned counsel appearing in support of the appeal, we find that the issues which are raised are primarily concerned with the following proposed questions of law:-

(a) Whether the Income Tax Appellate Tribunal ['**ITAT**'] has erred by admitting that rental income should be treated as 'income from house property' and not 'income from the business of leasing out properties for rental income'?

(b) Whether the ITAT has erred by not considering the fact on record that the business of the company was to lease its property and to earn rent and therefore, the income so earned should be treated as its 'business income'?

2. We note from the order of the ITAT dated 28 May 2019, impugned before us that the question itself arises out of the total revenue operations undertaken by the company and which included rental income of Rs.57,49,98,489/-. The ITAT has found that the assessee has been leasing the property in question and collecting rent therefrom right from 2010-2011. It was in the aforesaid backdrop that it ultimately observed as follows:-

> "10. First of all, when the revenue has been accepting the rental income of the assessee qua the property in question for the last 15 years as 'income from house property' and in the subsequent years also, the same is treated as 'income from house property' and there is no reason with the Revenue to depart from the rule of consistency. Secondly, assessee is owner of the property in question who has leased out the property on the basis of rental agreement."

3. Bearing in mind the aforesaid, we find no justification to entertain the instant appeal. The appeal in any case fails to raise any substantial question of law which would merit consideration.

4. It shall consequently stand dismissed.

YASHWANT VARMA, J.

PURUSHAINDRA KUMAR KAURAV, J.

FEBRUARY 07, 2024/MJ